

## SETTLEMENT AGREEMENT

Effective this 15<sup>th</sup> day May 2023, the State of Maine Department of Administrative and Financial Services (“DAFS”) and Steven R. Porter of Ludlow, Maine (collectively “the Parties”) enter into this Settlement Agreement.

The Petitioner Appellant in this matter was a registered caregiver pursuant to the Maine Medical Use of Cannabis Act, and on February 27, 2023, Michael W. Field, Director of Compliance for the Office of Cannabis Policy at DAFS sent Mr. Porter a letter notifying him that DAFS was revoking his registry identification (“ID”) card effective three (3) days after the date of the letter. Revocation is subject to an informal hearing pursuant to 22 M.R.S. §2430-F and then potentially to judicial review pursuant to 5 M.R.S. Chapter 375 and M.R.Civ.P. 80C, and Mr. Porter exercised his right to request an informal hearing in this matter.

Now therefore, as the Parties wish to settle this matter in consideration of the mutual promises set forth herein rather than continue the appeals process, the parties agree as follows:

1. OCP, DAFS hereby rescinds the revocation of Mr. Porter’s registry ID card (CGR25438) once this agreement is signed. Instead, Mr. Porter’s registry ID card is suspended from March 2, 2023 to January 2, 2024.
2. The suspension of Mr. Porter’s registry ID cards is based on Mr. Porter’s conduct as stated in the February 27, 2023 letter—selling medical cannabis to a person who was not a qualifying patient or otherwise authorized to have harvested cannabis; failing to keep required business records including records of all transfers and patient transaction logs; having an employee who had no registry ID card; and operating a retail store without notifying OCP or getting approval from the Town of Houlton.

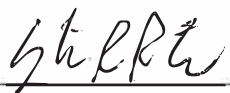
3. During the suspension, Mr. Porter will not participate in the Maine Medical Use of Cannabis Program, including having or holding any direct or indirect financial interest in a business, caregiver or dispensary registered under this program. Allowing medical cannabis to be grown on any property in which he has or holds any ownership interest during this period of suspension would violate this agreement, except for medical cannabis plants grown by household members who are qualifying patients. Mr. Porter will close the retail caregiver store Bill and Binks, at 73 Bangor Street, Houlton, ME.
4. During the suspension, Mr. Porter will not participate in the Adult Use Cannabis Program, including applying for an adult use individual identification card or an adult use cannabis establishment license under the Cannabis Legalization Act; and having or holding any direct or indirect financial interest in an adult use cannabis establishment. Allowing adult use cannabis to be grown on any property in which he has or holds any ownership interest during this period of suspension would violate this agreement, except that he and other household members over the age of 21, may grow their own personal adult use cannabis plants in accordance with 28-B M.R.S. § 1502.
5. After the period of suspension ends on January 2, 2024, Mr. Porter will have to apply anew for a caregiver registry ID card and will also be eligible to apply for other participation in the Maine Medical Cannabis Program and the Adult Use Cannabis Program. If Mr. Porter wants to open a caregiver retail store after that time, he shall provide appropriate proof from the pertinent municipality.
6. After January 2, 2024, this suspension will not be considered a bar to Mr. Porter's participation in either the Maine Medical Cannabis Program or the Adult Use of Cannabis Program.

7. Mr. Porter agrees to take corrective action as outlined below, in addition to complying with all other requirements of program participation when he participates in the Maine Medical Cannabis Program after January 2, 2024:
  - a. Mr. Porter shall ensure that he and any of his caregiver assistants properly verify whether a customer is a qualifying patient and shall only sell retail harvested cannabis to qualifying patients.
  - b. Mr. Porter shall ensure that any assistants have a registry identification card (RIC).
  - c. Mr. Porter shall keep business records including records of all transactions and patient transaction logs.
8. Wind-down plan: Mr. Porter has transferred any authorized harvested cannabis or products or plants to another registered caregiver.
9. DAFS reserves the right to take any appropriate action if Mr. Porter is found engaging in conduct not authorized by, or in violation of, the law or this Settlement Agreement.
10. This Settlement Agreement sets forth the entire agreement of the Parties, and any amendment hereof shall be in writing. Representations that are not contained in the Agreement or subsequent written amendment shall have no effect. The parties agree that once this agreement is signed the informal hearing is no longer necessary.
11. The Parties acknowledge that this Agreement and its reduction to final written form is the result of good faith negotiations between the Parties; said Parties and their respective counsel have carefully reviewed and examined this Agreement before execution by said Parties; any statute or rule of construction that ambiguities are to be

resolved against the drafting party shall not be employed in the interpretation of this Agreement.

12. This Settlement Agreement shall be governed by the laws of the State of Maine.
13. The signatory for DAFS represents that he is duly authorized and empowered to execute this Settlement Agreement on behalf of DAFS, and that his signature is enough to legally bind DAFS to the terms of the Settlement Agreement.
14. Mr. Porter represents that he is duly authorized and empowered to execute this Settlement Agreement on his behalf, and his signature is enough to legally bind himself, including any ownership interest he has in medical cannabis plants or harvested cannabis due to having been a registered caregiver, to the terms of the Settlement Agreement.

**IN WITNESS WHEREOF**, the duly authorized representative of DAFS, and Mr. Porter have signed this Agreement below:

  
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Steven R. Porter

Date: MAY 11 2023

  
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Michael W. Field, Director of Compliance, OCP, DAFS

Date: 5/15/2023